

1976	Initial Materiality Test - "Bias Standard" Regulation 18702		
	If the official knows or has reason to know that "the existence of the financial interest in question might interfere with the official's performance of his or her duties in an impartial manner free from bias." Numeric values are tools to demonstrate bias, but are not by themselves determinative.		
Material if effect of decision is	<i>Gross Revenue</i> 1% impact	<i>Net Income</i> .5%	<i>Assets or Liabilities</i> \$50,000 or .5%, whichever is less

1978	Numeric Standard - Regulation 18702(b)(1)		
	Moved from the "bias standard" to a numeric standard, no tiers. Added stated amounts for all criteria. \$1,000 small investment "safe harbor"		
Material if effect of decision is	<i>Gross Revenue</i> \$100,000 or 1% if \$1,000 or more	<i>Net Income</i> \$50,000 or .5% if \$1,000 or more	<i>Assets or Liabilities</i> \$100,000 or .5% if \$1,000 more

1985	Tiered Structure - Regulation 18702.2		
	Need to recognize greater diversity in effects prompts creation of tiers. Inflation alone requires upward revision of numerical guidelines. Net income component of prior guidelines virtually useless because of the difficulty in ascertaining relevant information to apply the test. Substituted expenses for net income.		
Material if effect of decision is	<i>Gross Revenue</i>	<i>Incur/Avoid Expenses</i>	<i>Increase/Decrease in Value of Assets/Liabilities</i>
Fortune 500	\$1,000,000 or more	\$250,000 or more	\$1,000,000 or more
NYSE or AMEX	\$250,000 or more	\$100,000 or more	\$250,000 or more
NASDAQ National Market	\$150,000 or more	\$50,000 or more	\$150,000 or more
Not listed, but qualified for public sale	\$30,000 or more	\$7,500 or more	\$30,000 or more
Not listed, but meets financial standards for listing on NYSE	\$150,000 or more	\$50,000 or more	\$150,000 or more
	*Financial standards for listing are \$18 million or more in net tangible assets and pre-tax income for the last fiscal year of \$1.5 million or more		
Not listed, but meets financial standards for listing on NASDAQ	\$10,000 or more	\$2,500 or more	\$10,000 or more
	*Financial standards for listing are \$4 million or more in net tangible assets, pre-tax income for the last fiscal year of \$750,000 or more and net income of at least \$400,000		

<b>1988</b>	Tiered Structure - Regulation 18702.2		
	Added Pacific Stock Exchange into existing tier for business entities not listed, but qualified for public sale. Added another tier for privately held entities that otherwise meet Fortune 500 standards		
Material if effect of decision is	<i>Gross Revenue</i>	<i>Incur/Avoid Expenses</i>	<i>Increase/Decrease in Value of Assets/Liabilities</i>
Fortune 500	\$1,000,000 or more	\$250,000 or more	\$1,000,000 or more
NYSE or AMEX	\$250,000 or more	\$100,000 or more	\$250,000 or more
NASDAQ National Market	\$150,000 or more	\$50,000 or more	\$150,000 or more
Pacific Stock Exchange; not listed, but qualified for public sale	\$30,000 or more	\$7,500 or more	\$30,000 or more
Not listed, but otherwise ranks with Fortune 500	\$250,000 or more	\$100,000 or more	\$250,000 or more
Not listed, but meets financial standards for listing on NYSE	\$150,000 or more	\$50,000 or more	\$150,000 or more
	*Financial standards for listing are \$18 million or more in net tangible assets and pre-tax income for the last fiscal year of \$1.5 million or more		
Not listed, but meets financial standards for listing on NASDAQ	\$10,000 or more	\$2,500 or more	\$10,000 or more
	*Financial standards for listing are \$4 million or more in net tangible assets, pre-tax income for the last fiscal year of \$750,000 or more and net income of at least \$400,000		

<b>1996</b>	Technical Changes
Reflecting Fortune Magazine's elimination of its distinction between Fortune 500 industrials and Fortune 500 non-industrials. New combined listings for Fortune 500 and also Fortune 1000. Regulation 18702.2 amended to make conforming changes adopting use of Fortune 1000	

<b>1998</b>	Regulation 18705.1 - Phase One, Conflicts Regulations Improvement Project
This was a non-substance amendment of the materiality regulation to renumber the conflict of interest regulations to reflect the 8-step standard analysis. Phase One repealed former regulation 18702.2 and reintroduced it, without substantive change, as regulation 18705.1	

2001	Regulation 18705.1 - Phase Two, Conflicts Regulations Improvement Project: Project A		
Reduced the number of tiers from 7 to 4 by deleting Pacific Stock Exchange/Qualified for Public Listing tier and combining into the same tier both listed entities and entities meeting the financial criteria for listing on an exchange; changed Fortune 1000 to Fortune 500; increased thresholds; increased small investment exception threshold; eliminated definition of “financial criteria for listing”; added definitions of certain accounting terms; created “safe harbor” for public officials relying on independently audited financial statements.			
Material if effect of decision is	Gross Revenue	Incur/Avoid Expenses	Increase/Decrease in Value of Assets/Liabilities
Fortune 500	\$10,000,000 or more	\$2,500,000 or more	\$10,000,000 or more
NYSE or meeting NYSE financial listing criteria	\$500,000 or more	\$200,000 or more	\$500,000 or more
AMEX/NASDAQ SmallCap Market or meeting financial listing criteria for same	\$300,000 or more	\$100,000 or more	\$300,000 or more
Other	\$20,000 or more	\$5,000 or more	\$20,000 or more